

RESOLUTION NO. 27,924.

A RESOLUTION OF THE COUNCIL OF THE CITY OF BURBANK APPROVING AN OWNER PARTICIPATION AGREEMENT BETWEEN THE CITY OF BURBANK, THE REDEVELOPMENT AGENCY OF THE CITY OF BURBANK, BURBANK HOUSING CORPORATION AND HABITAT FOR HUMANITY OF GREATER LOS ANGELES FOR THE CONSTRUCTION OF AN AFFORDABLE HOUSING HOMEOWNERSHIP DEVELOPMENT AT 1722, 1726 – 1728 AND 1730 ELLIOTT DRIVE AND 1902 KEELER STREET.

1208-1

THE COUNCIL OF THE CITY OF BURBANK FINDS:

- A. The Burbank Housing Corporation, a California non-profit public benefit corporation (the "Owner"), is the fee simple owner of certain real property located within the City of Burbank commonly known as 1722, 1726 - 1728 and 1730 Elliott Drive and 1902 Keeler Street, Burbank, California (the "Property").
- B. Habitat for Humanity of Greater Los Angeles ("Habitat") is a California non-profit public benefit corporation, organized and existing under the laws of the State of California. Habitat's mission is to provide simple, decent housing for purchase at a cost that is affordable to low-income households.
- C. Owner and Habitat desire to develop the Property with eight (8) townhomes (the "Affordable Units") that will be sold at a price that is affordable to very-low income households (the "Project"). The Project was previously approved on March 13, 2007 as Project No. 06-0201918, Development Review.
- D. The Redevelopment Agency of the City of Burbank ("Agency"), the City of Burbank ("City"), Owner, and Habitat have prepared a proposed Owner Participation Agreement ("Agreement") pursuant to which the Agency agrees to (1) refinance for a term of ninety-nine (99) years, several loans made to Owner from the Housing Fund, to fund acquisition of the Property, which total Two Million Five Hundred Seventy-One Thousand Seven Hundred Fifty Dollars (\$2,571,750.00) (the "Acquisition Loan"); (2) provide an asset management fee to Owner in the amount of One Hundred Thousand Dollars (\$100,000.00) to fund Owner's administrative costs associated with the management and maintenance of the Project (the "Asset Management Fee"); and (3) provide a construction loan to Habitat in the amount of One Million Seventy-Five Thousand Dollars (\$1,075,000.00) to fund construction of the Project (the "Construction Loan"); and (4) provide a contingency loan to Habitat in the amount of One Hundred Thousand Dollars (\$100,000.00) to cover increased construction costs or Habitat's funding shortfall (the "Supplemental Loan"). Under the Agreement, The Agency also agrees to convert Habitat's construction and contingency loans into down payment

assistance loans for both initial and subsequent buyers of the Townhomes.

E. Under the Agreement, the City agrees to apply to the California Department of Housing and Community Development ("HCD") to obtain funding through the CalHome and BEGIN programs, both of which are described below. The parties anticipate that CalHome funds in the amount of Four Hundred Eighty Thousand Dollars (\$480,000.00), and BEGIN funds in the amount of Two Hundred Forty Thousand Dollars (\$240,000.00), will be used to offer mortgage assistance to both initial and subsequent buyers of the Townhomes. The CalHome and BEGIN funds, if received, will be used to replace a portion of the Agency's down payment assistance.

F. Pursuant to the Agreement, the City desires to apply for CalHome and BEGIN funding and to offer mortgage assistance to both initial and subsequent buyers of the Townhomes in consideration for Owner and Habitat's agreement to develop the Project on the Property and maintain the covenants on the Affordable Units as required in the Agreement.

G. The Council has duly considered all terms and conditions of the proposed Agreement and believes that the development of the Property pursuant thereto is in the best interests of the City and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.


H. The Owner and Habitat's construction and operation of the Project pursuant to the Agreement is categorically exempt from review under the California Environmental Quality Act ("CEQA"), pursuant to Section 15332 of the CEQA Guidelines as an in-fill development project.

THE COUNCIL OF THE CITY OF BURBANK RESOLVES:

1. The City Council hereby approves the Owner Participation Agreement, and approves all documents, attachments and exhibits thereto, and authorizes and directs the City Manager or its designee to execute the Owner Participation Agreement on behalf of the City. The City Manager or its designee are further authorized to implement the Owner Participation Agreement on behalf of the City and take all further actions and execute all documents necessary or appropriate to carry out the Owner Participation Agreement.

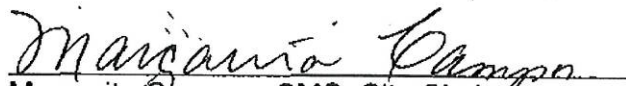
2. The City finds that use of Agency Set Aside Funds outside a project area benefits all project areas since it involves increasing the affordable housing stock.

PASSED AND ADOPTED this 16th day of June, 2009.



Gary Bric
Mayor of the City of Burbank

Attest:



Margarita Campos, CMC, City Clerk

Approved as to Form and Legal Content
Dennis A. Barlow, City Attorney

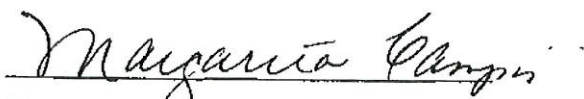
By: 

Joseph H. McDougall
Senior Assistant City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF BURBANK)

I, Margarita Campos, CMC, City Clerk of the City of Burbank, do hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the Council of the City of Burbank at its regular meeting held on the 16th day of June, 2009, by the following vote:

AYES: **Council Members Golonski, Gordon, Reinke, Talamantes and Bric.**
NOES: **Council Members None.**
ABSENT: **Council Members None.**



Margarita Campos, CMC, City Clerk